



**Request for City Council Committee Action
From the City Attorney's Office**

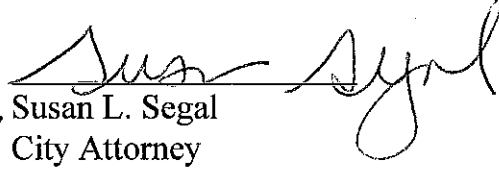
Date: November 21, 2014
To: Ways & Means/Budget Committee and Committee of the Whole
Referral to:

Subject: Cincinnati Insurance Companies v. City of Minneapolis
Court File No.: n/a

Recommendation: That the City Council approve the settlement of this case by payment of \$35,000.00 payable to Cincinnati Insurance Companies, from Fund/Org. 06900-1500100-145630 and authorize the City Attorney's Office to execute any documents necessary to effectuate settlement.

Previous Directives: None

Prepared by: Thomas J. Miller Phone: (612) 673-2897

Approved by: 
Susan L. Segal
City Attorney

Presenter in Committee: Susan L. Segal, City Attorney

Financial Impact:(Check those that apply)

- ☐ No financial impact (If checked, go directly to Background/Supporting Information).
- ☐ Action requires an appropriation increase to the _____ Capital Budget or _____ Operating Budget.
- ☐ Action provides increased revenue for appropriation increase.
- ☐ Action requires use of contingency or reserves.
- ☐ Business Plan: _____ Action is within the plan. _____ Action requires a change to plan._
- ☒ Other financial impact (Explain): \$35,000.00 from Fund/Org. 06900-1500100-145630
- ☐ Request provided to department's finance contact when provided to the Committee Coordinator.

Community Impact: Other

Background/Supporting Information:

This matter and subsequent claim arise out of a sewer line failure and backup that occurred on March 23, 2013. Summit Academy was exposed to sewer water when a City of Minneapolis sewer line backed-up. The Academy sustained \$36,975.48 in damage and this loss was insured by Cincinnati Insurance Companies.

Following negotiations with their attorneys, we have reached a tentative settlement of Cincinnati Insurance Companies' subrogation claim against the City in the amount of \$35,000.00. This proposed settlement has been discussed with the Public Works Department and they are in agreement with the terms. We believe that the settlement is in the best interests of the City and recommend approval by this Committee.

TJM / 13-20122